

Date: October 25, 2001

To: Chairman Getman and Commissioners Downey, Knox, Scott, and Swanson

From: Mark Krausse, Executive Director

EXECUTIVE DIRECTOR'S REPORT

This is a summary of administrative and division activity since the report sent to you prior to the October Commission meeting.

A. PERSONNEL

The Enforcement Division will soon lose two long-time employees: Senior Staff Counsel Mark Soble and Office Technician Lorna Perrigo. Mr. Soble has been a highly productive member of the Enforcement Division, handling over 130 cases in his nearly 12 years with the commission. He will leave in December to join the Attorney General's False Claims Section. We will miss Mark's strong contribution to the enforcement program, and we wish him luck in his new position. Lorna Perrigo is a 13-year member of the commission staff who has taken a position with the Board of Equalization. Lorna's institutional memory is a valuable asset. We hope she finds her new role a rewarding one.

The Enforcement Division has two new employees, Staff Counsel Jefferey Sly and Investigator Charles Bilyeu. Mr. Sly is an attorney with ten years of experience. He has been in private practice for the last 5 ½ years, and practiced as an attorney in the U.S. Navy before that. Mr. Bilyeu also served over 25 years as a police officer/criminal investigator with the United States Navy.

The Legal Division received the resignation of Jody Feldman, a Staff Counsel hired in May of this year. Ms. Feldman has taken a position with the California Environmental Protection Agency that will mix regulatory drafting with enforcement work. Good luck to Jody in her new position.

Two new hires in the Legal Division are Marie Fain and Pam Cantelmi. Ms. Fain joins the commission in the position of Legal Analyst. She most recently worked for the Dept. of Industrial Relations—CalOSHA Program. Ms. Cantelmi is a third-year student at Lincoln Law School who joins the commission as a Graduate Student Assistant.

B. STAFF PROJECTS

In the Legal Division, General Counsel Luisa Menchaca and Assistant General Counsel John Wallace are working with Deputy Attorneys General Ted Prim and Robert Leidigh to update the online ethics training seminar offered through the Department of Justice web site. Commission staff review of the content is complete and the training module, used by state agency executives to comply with ethics training requirements, should be available later this year.

Staff Counsel Scott Tocher traveled to Morro Bay in late October to provide a conflicts seminar to members of the city council and several boards and commissions.

General Counsel Luisa Menchaca and Commissioner Gordana Swanson attended a panel discussion at USC's Annenberg School of Communication, which included Chairman Karen Getman as a panelist. The discussion examined the Los Angeles mayoral election earlier this year and explored possible avenues to regulating independent expenditures.

The Technical Assistance Division provided training in October to candidates and treasurers in Fresno. Lynda Cassady spoke on campaign disclosure at the Green Party's Northern California meeting. TAD staff made filing officer outreach visits to the cities of Tehachapi, Compton, Highlands, Laguna Woods, Adelanto, Arroyo Grande, Red Bluff and Mariposa, the counties of San Joaquin and Ventura, and to the California Rice Commission, and provided SEI and campaign filing officer seminars in Santa Cruz.

The Public Education Unit continues to review and edit various fact sheets and other publications, and is nearly ready to put the latest *FPPC Bulletin* to press. PEU's newest publication is "Your Duty to File: A Basic Overview of State Economic Disclosure Law and Reporting Requirements for Public Officials." It expects to publish a media guide to the FPPC within the next few weeks. In addition, the unit continues to update and maintain web site content, conflict codes for agencies for which the FPPC is code reviewing body, and local campaign ordinances.

C. STATE BUDGET UPDATE

Citing declining state revenues, the Governor issued an order on October 23rd imposing a hiring freeze on most state agencies, effective immediately. The Governor called for a current-year reduction of \$150 million to be shared by those same agencies. It is unclear at this point, and the Department of Finance is not yet able to answer, what portion of that amount the commission will be required to cut, or whether elimination of vacant positions will be required. From our early estimates, however, it appears that a *pro rata* reduction in the commission's budget could be accomplished through the elimination of vacant positions.

D. APPROVAL OF THE COMMISSION'S CONFLICT-OF-INTEREST CODE

I recommend approval of the attached conflict-of-interest code amendments for the commission. An accompanying memo highlights the changes.

E. CONFLICT OF INTEREST CODES/AMENDMENTS

Since the last commission meeting, the agency has approved codes and amendments for the following:

Cabrillo College District
California Commission on Teacher Credentialing
California State University System
College of the Redwoods
Contra Costa Water District
Elsinore Valley Municipal Water District
Fullerton Joint Union High School District
Inspector General, Office of the
Kern Community College District
Mayers Memorial Hospital District
Managed Care, State Department of
Modesto Irrigation District
State Teachers' Retirement System
Toxic Substances Control, State Department of